



June 22, 2012

BY EMAIL AND U.S. MAIL

Lawyers Title Company
888 South Figueroa Street, Suite 2120
Los Angeles, CA 90017
Direct: (213) 330-3026

Attn: Ann Smith, Title Officer
AnnSmith@LTIC.com

Re: State Coastal Conservancy Escrow Instructions
Escrow No.: WHL13139-EL
Las Tunas Beach Properties, Malibu, California
(APN's: 4449-007-013 through -017)
Anticipated Closing Date: on or before July 31, 2012

Dear Ms. Smith:

The following are the escrow instructions of the State Coastal Conservancy, an agency of the State of California ("Conservancy"), for the escrow referenced above, with respect to the following transaction.

The Conservancy and Mountains Recreation and Conservation Authority (MRCA) have entered into Grant Agreement No. 12-08, whereby MRCA will receive a Conservancy grant towards the purchase of real property in the amount of \$2,901,987.50 (two million nine hundred and one thousand, nine hundred eighty seven dollars and fifty cents), referred to in these instructions as the "Conservancy Funds". The Conservancy Funds are to be used to acquire fee title to the real property described as Parcels One through Five in your Updated Preliminary Title Report, File No. 111085107, dated as of August 17, 2011 ("Title Report") in accordance with the "Agreement for Purchase and Sale and Escrow Instructions" between Grey Granite LLC, Horizon View LLC, Las Tunas Beach LLC, and Lechuza Villas West LLC, collectively as Sellers ("Seller"), and MRCA, as Buyer, dated July 6, 2012 (the "Purchase Agreement"). Under the Purchase Agreement, Parcels One,

Two, Three and Five of the Property will be acquired for a cumulative total of \$2,900,000 (two million nine hundred dollars); and parcel Four will be donated by Seller to MRCA. The Conservancy Funds are to be applied to the purchase price of the Property and to closing costs and escrow fees related to the acquisition.

These instructions are in addition to the instructions contained in the Purchase Agreement or submitted by the Seller or the MRCA and relate to the conditions for disbursement of Conservancy Funds.

A. DEPOSITS INTO ESCROW

1. The Conservancy shall deposit into this escrow a State warrant in the amount of the Conservancy Funds payable to Lawyers Title Company. **The State warrant shall not be cashed but shall be held in escrow until all conditions of closing of the escrow have been met and until immediately before closing** (taking into account a reasonable period for the warrant to clear a bank hold on the funds) and then applied against the purchase price for the Property and related closing costs and escrow fees. Any interest accruing to the Conservancy Funds in escrow shall be refunded to the Conservancy at the letterhead address.
2. The Seller shall deposit or cause to be deposited into this escrow:
 - a. A Grant Deed ("Deed"), in the form attached as Exhibit 1 to these Instructions, duly executed and acknowledged by Seller and suitable for recording.
 - b. A Gift Deed ("Gift Deed") in the form attached as Exhibit 2 to these Instructions, duly executed and acknowledged by Seller and suitable for recording.
 - c. All other documents and funds, if any, for closing required of Seller pursuant to the Purchase Agreement.
3. The MRCA shall deposit into this escrow:
 - a. MRCA's Certificate of Acceptance of the Deed and Gift Deed, in the form required by Government Code Section 27281, duly executed and suitable for recording.
 - b. An Irrevocable Offer to Dedicate Title in Fee and Declaration of Restrictive Covenants ("OTD") in the form attached as Exhibit 3 to these Instructions, duly executed and acknowledged by MRCA and suitable for recording.
 - c. All other documents and funds, if any, for closing required of MRCA pursuant to the Purchase Agreement.

B. CLOSING PROCEDURE

1. If and only if all of the requirements of paragraph B.2, below, are met, you are authorized to cash the State warrant and disburse or apply the Conservancy Funds to the account of Seller as and for the purchase price of the Property. At Seller's instruction, you may use a portion of these funds to remove and/or pay off exceptions to title or pay Seller's share of the closing costs.
2. You may disburse or apply the Conservancy Funds as specified in B.1, above, if and only if:
 - a. You have received and deposited into escrow the documents and funds described in A.1 through A.3, above.
 - b. You have signed and returned a copy of this letter to the undersigned, on behalf of the Conservancy, acknowledging your acceptance of these Instructions.
 - c. You are prepared to comply with these Instructions and with the escrow instructions contained in the Purchase Agreement.
 - d. You will be able to issue to MRCA a CLTA Standard Owners Policy of Title Insurance (the "Title Policy") in the amount of \$2,900,000 (two million nine hundred thousand dollars, covering the Property subject only to: all *current* general and special taxes, assessments and/or bonds *not delinquent*; the following numbered exception shown in Schedule B of the Title Report: 1-8, inclusive and 11-17, inclusive; the OTD; and such additional exceptions, if any, as are approved in writing by the MRCA and the Conservancy.
3. When you have received the documents and funds described in A.1-3, above, and the requirements of B.2, above, are met, you are authorized and directed to:
 - a. Complete the date on any document undated with the date of the closing, including, without limitation, the first paragraph of the OTD and paragraph A of the "Pertinent Facts" of the OTD.
 - b. Record all instruments deposited to escrow in the Official Records of Los Angeles County, concurrently and in the following order:
 - i. The Deed and the Gift Deed with the Certificate of Acceptance.
 - ii. The OTD.
 - c. Pay closing costs consistent with the Purchase Agreement and based on a final Buyer's Settlement Statement, a copy of which shall be provided to the Conservancy.
4. Following close of escrow, promptly deliver all of the following to the undersigned by mail or by email (color ".pdf" copy) to: State Coastal Conservancy, Attn: Jack Judkins, 1330 Broadway, 13th Floor, Oakland CA,

94612, email: jjudkins@scc.ca.gov:

- a. Conformed copies of all documents recorded through this escrow.
- b. A copy of the Policy of Title Insurance issued to MRCA.
- c. Final settlement statement(s).

C. MISCELLANEOUS PROVISIONS OF ESCROW

1. The foregoing instruments are delivered to you as escrow holder subject to compliance with these Instructions. Acceptance by you of this Escrow shall constitute a contractual obligation by Lawyers Title Company for complete compliance with these instructions and for disposition of the cash sum in accordance herewith.
2. These Instructions contain the entire agreement between Lawyers Title Company and the Conservancy with respect to the subject matter hereof and may not be modified in any manner whatsoever except by written amendment by the Conservancy. These instructions may be further supplemented, amended or revoked by the undersigned at any time before the close of escrow in writing.
3. In order to expedite the transaction contemplated herein, emailed color "pdf" copies of signatures may be used in place of original signatures on the Instructions or acknowledgment.
4. If you receive any conflicting instructions from other parties to this escrow, you are to suspend all closing proceedings and immediately contact the undersigned for further instructions.
5. If escrow terminates for any reason, or if escrow fails to close by August 15, 2012, then the escrow company shall immediately contact the undersigned and, if instructed by the undersigned, return all Conservancy Funds to the Controller of the State of California.

Please acknowledge receipt of these instructions and indicate your agreement to act in accordance therewith by signing below and returning a copy to the undersigned. You should return a copy by emailing a color "pdf" copy of the

Lawyers Title Company
Escrow No.: WHL13139-EL
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executed acknowledgement and then subsequently mailing the original.

Sincerely,



Jack Judkins
Senior Staff Counsel

Receipt of the foregoing letter of instructions is acknowledged and the undersigned agrees to act in accordance with the foregoing instructions.

Lawyers Title Company

By: _____

Its: _____

Dated: _____

cc: Joan Cardellino, Conservancy Program Manager
Laurie Collins, MRCA

Lawyers Title Company
Escrow No.: WHL13139-EL
July 20, 2012

EXHIBIT 1

The Deed

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

Mountains Recreation
and Conservation Authority
570 West Avenue 26, Suite 100
Los Angeles, CA 90065

Attention: Laurie C. Collins

GRANT DEED

DOCUMENT ENTITLED TO FREE RECORDATION PURSUANT TO GOVT CODE SECTION 6103 and TRANSFER IS EXEMPT
PURSUANT TO REV. & TAX CODE SECTION 11922

For a valuable consideration, receipt of which is hereby acknowledged,

**Lechuza Villas West LLC, a Delaware Limited Liability Company,
Grey Granite LLC, a California Limited Liability Company,
Horizon View LLC, a California Limited Liability Company,
Las Tunas Beach LLC, a California Limited Liability Company**

do hereby grant their respective title and interests to:

**Mountains Recreation and Conservation Authority, a local public entity
established pursuant to Government Code Section 6500 et seq,**

in the following described real property located in the County of Los Angeles, State of
California:

described in Exhibit A attached hereto and incorporated herein by reference.

Lechuza Villas West, LLC

Dated: _____

By: _____

Grey Granite, LLC.

Dated: _____

By: _____

Horizon View, LLC

Dated: _____ By: _____

Las Tunas Beach, LLC

Dated: _____ By: _____

EXHIBIT A

Lawyers Title Company
Escrow No.: WHL13139-EL
July 20, 2012

EXHIBIT 2

The Gift Deed

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

Mountains Recreation
and Conservation Authority
570 West Avenue 26, Suite 100
Los Angeles, CA 90065

Attention: Laurie C. Collins

GIFT DEED

DOCUMENT ENTITLED TO FREE RECORDATION PURSUANT TO GOVT CODE SECTION 6103 and TRANSFER IS EXEMPT
PURSUANT TO REV. & TAX CODE SECTION 11922

Lechuza Villas West LLC, a Delaware Limited Liability Company,

does hereby grant to:

**Mountains Recreation and Conservation Authority, a local public entity
established pursuant to Government Code Section 6500 et seq,**

the following described real property located in the County of Los Angeles, State of
California:

described in Exhibit A attached hereto and incorporated herein by reference.

Lechuza Villas West, LLC

Dated: _____

By: _____

EXHIBIT A

Lawyers Title Company
Escrow No.: WHL13139-EL
July 20, 2012

EXHIBIT 3

The OTD

RECORDING REQUESTED BY:
State Coastal Conservancy

WHEN RECORDED RETURN TO:

State Coastal Conservancy
1330 Broadway, 13th Floor
Oakland, CA 94612
Attn: Legal Counsel (JJ)

Project: Las Tunas Beach (Haynie)

Recording Fees Exempt per Gov Code § 6103

APN's: 4449-007-013, 4449-007-014, 4449-007-015,
4449-007-016, 4449-007-017

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**IRREVOCABLE OFFER TO DEDICATE TITLE IN FEE
AND DECLARATION OF RESTRICTIVE COVENANTS**

Las Tunas Beach (Haynie) Properties, Los Angeles County, California

This IRREVOCABLE OFFER TO DEDICATE TITLE IN FEE AND DECLARATION OF RESTRICTIVE COVENANTS (the "Offer and Declaration") is made this ____ day of _____, 2012, by Mountains Recreation and Conservation Authority, a local public entity established pursuant to California Government Code Sections 6500 et seq. ("the Offeror").

Pertinent Facts

- A. The Offeror is the legal owner of the fee interest in real property ("the Real Property") in the County of Los Angeles, State of California (described in Exhibit A, which is incorporated by reference and attached) and conveyed to the Offeror under the Grant Deed and the Gift Deed recorded on _____, 2012, concurrently with this offer.
- B. The Offeror is a local public entity created and existing under the laws of the State of California.
- C. The Offeror purchased the Real Property using funds from the California State Coastal Conservancy ("the Conservancy") provided under Division 21 of the California Public Resources Code for grants to public entities for the acquisition of Real Property; and under unrecorded Grant Agreement No. 12-008 ("the Grant

Agreement”) between the Offeror and the Conservancy, a copy of which is maintained in the offices of the Conservancy and the Offeror. Specifically, the Conservancy provided funds from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84; Public Resources Code §§75001, et seq., hereafter “the bond act”), adopted by the voters of California on November 7, 2006, which authorizes the acquisition of real property to protect the natural habitat values of coastal watershed lands, prevent degradation of coastal waters and watersheds and to promote public access to and enjoyment of coastal resources.

- D. The Grant Agreement requires that the Offeror permanently dedicate the Real Property for specified purposes.
- E. The Offeror is executing this offer to comply with the Grant Agreement, and to protect the public’s interest in the Real Property, which was acquired with the assistance of state funds.
- F. The Offeror intends through this offer to bind itself and its assigns and successors in interest.

The Offeror hereby irrevocably offers to dedicate fee title to the Real Property to the State of California, acting through the Conservancy, and agrees to the restrictive covenants, as follows, in light of the pertinent facts, above, and in consideration of the Conservancy’s grant to the Offeror for the acquisition of the Real Property and the preservation of the public’s interest in the Real Property.

1. **OFFER TO DEDICATE FEE TITLE.** The Offeror hereby irrevocably offers to dedicate fee title to the Real Property to the State of California, acting through the Conservancy.
 - a. **TERMS OF ACCEPTANCE.** The offer made by the Offeror may be accepted only if the Conservancy finds that the existence of the Offeror has terminated; or that the Offeror or its successor in interest in the Real Property has violated with respect to the Real Property, or any portion of it or interest in it, one or more of the Restrictive Covenants set forth in this Offer and Declaration.

In addition, the Conservancy may accept the offer made by the Offeror where the Real Property is under threat of condemnation or condemnation proceedings have been initiated. Condemnation means a permanent taking through the exercise of any government power (by legal proceedings or otherwise) by any party having the right of eminent domain (“condemnor”); or through a voluntary sale or transfer by the Offeror to any condemnor, either under threat of exercise of eminent domain by a condemnor or while legal proceedings for eminent domain are pending. If the Conservancy or its designee (an “accepting party”) accepts this

offer due to threat of condemnation or initiation of condemnation proceedings and receives proceeds following condemnation, the accepting party shall distribute a proportionate share to the Offeror. If an accepting party accepts the OTD due to threat or initiation of condemnation, and condemnation does not occur, then the accepting party shall reconvey the Real Property to the Offeror, unless the accepting party and the Offeror agree otherwise.

- b. **PROCESS FOR ACCEPTANCE.** Upon a finding by the Conservancy, following written notice and a reasonable opportunity to cure, that any of the restrictive covenants set forth in this Offer and Declaration has been violated; or that the existence of the Offeror has terminated for any reason prior to a transfer of the Real Property in compliance with this Offer and Declaration; or that the Real Property is under threat of condemnation or condemnation proceedings have been initiated; the Conservancy, or another public agency or a nonprofit organization designated by the Conservancy and which has agreed to accept the obligations of the Offeror under this Offer and Declaration, may accept the offer made by the Offeror in accordance with law, by recording in the Official Records of Los Angeles County a Certificate of Acceptance substantially in the form of the attached Exhibit B.
- c. **RECORDATION OF ACCEPTANCE.** The offer made by this Offer and Declaration is irrevocable, and upon recordation of an acceptance in the form of Exhibit B, this offer shall have the effect of a grant of the Real Property to the State of California or other accepting entity designated by the Conservancy having executed a substantially similar acceptance, as provided in this Offer and Declaration.

2. **DECLARATION OF RESTRICTIVE COVENANTS.** The Offeror hereby declares that the Real Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold and improved subject to the following restrictions:

- a. **USE OF THE REAL PROPERTY.** The Real Property shall be used solely for the purposes of preserving open space and providing public access and recreation, (collectively, the "acquisition purposes"). No use of the Real Property inconsistent with the acquisition purposes is permitted. No development, as defined in California Public Resources Code section 30106, shall be undertaken on the Real Property except that development for and in furtherance of the acquisition purposes or for prudent and reasonable open space management and stewardship (such as development necessary to address hazards or avoid of injury, or other similar activities).

The Real Property shall be used, managed, operated and maintained as provided in the Grant Agreement and consistent with the bond act.

- b. **USE OF THE REAL PROPERTY AS SECURITY FOR DEBT.** The Real Property shall not be used as security for any debt without the written approval of the Executive Officer of the Conservancy.
 - c. **TRANSFER OF THE REAL PROPERTY.** Any transfer of the Real Property, or portion of or interest in it, is subject to the prior written approval of the Executive Officer of the Conservancy. The transferee shall be subject to all provisions of this Offer and Declaration, including, without limitation, the use restrictions. If the Conservancy deems necessary, prior to the Conservancy's approval of any transfer of the Real Property, the transferee and the Conservancy shall enter into a new agreement sufficient to protect the interest of the people of California.
 - d. **MITIGATION.** The Real Property shall not be used for mitigation (in other words, to compensate for adverse changes to the environment elsewhere) without the written permission of the Executive Officer. In providing permission, the Executive Officer may require that funds generated in connection with any authorized or allowable mitigation on the Real Property will be promptly remitted to the Conservancy.
 - e. **CONDEMNATION.** If the Real Property is under threat of condemnation or condemnation proceedings have been initiated, as defined above, the Offeror shall promptly notify the Conservancy in writing, shall assert any applicable presumption regarding the use of the Real Property for the acquisition purposes as the highest and best use under Public Resources Code §5542.5(a), Code of Civil Procedure §1240.680 or any successor, subsequent or other legislation, and shall use its best efforts to obtain the maximum compensation possible. Upon receiving condemnation proceeds, the Offeror shall promptly pay to the Conservancy a percentage of the condemnation proceeds equivalent to the percentage of the total acquisition cost originally contributed by the Conservancy (100%).
 - f. **INSPECTION OF THE PROPERTY.** On reasonable prior notice to the Offeror, the Conservancy shall have the right to inspect the Real Property to ascertain compliance with this Offer and Declaration.
3. **BENEFIT AND BURDEN.** This Offer and Declaration shall run with and burden the Real Property. All obligations, terms, conditions, and restrictions imposed by this Offer and Declaration shall be deemed covenants and restrictions running with the land, shall be effective limitations on the use of the Real Property from the date of recordation of this document, and shall bind the Offeror and all its successors and assigns. This Offer and Declaration shall benefit the State of California.
4. **SUCCESSORS AND ASSIGNS.** The provisions of this Offer and Declaration shall bind and inure to the benefit of the successors and assigns of both the Offeror and the Conservancy, whether voluntary or involuntary.

5. **CONSTRUCTION OF VALIDITY.** If a court in a final determination holds any provision of the Offer and Declaration invalid, or if, for any other reason it becomes unenforceable, no other provision shall be affected.
6. **AMENDMENT.** No change in this Offer and Declaration shall be valid unless made in writing, signed by the Offeror and the Conservancy, and recorded in the official records of Los Angeles County, California.
7. **TERM.** This Offer and Declaration is irrevocable (except to the extent provided to the contrary in ¶ 2(c), above), and upon recordation of an acceptance in the form of Exhibit B, this offer shall have the effect of a grant of the Real Property to the State of California or other accepting entity designated by the Conservancy and having executed a substantially similar acceptance, as provided in this offer.

The Offeror executes this document on the date first written above.

MOUNTAINS RECREATION AND CONSERVATION AUTHORITY, the Offeror

By: _____

Print Name

Its: _____

Title

EXHIBIT A

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

PARCEL 1:

THE WESTERLY 51.15 FEET, MEASURED ALONG THE NORTHERLY LINE, OF THAT PORTION OF THE GOVERNMENT LOT 5 IN SECTION 31, TOWNSHIP 1 SOUTH, RANGE 16 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE OCTOBER 5, 1896, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE PACIFIC COAST HIGHWAY, AS SAID SOUTHERLY LINE WAS ESTABLISHED ON JANUARY 1, 1945, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID PACIFIC COAST HIGHWAY DISTANT EASTERLY THEREON 401.25 FEET FROM THE WESTERLY END OF THAT CERTAIN CURVE IN SAID SOUTHERLY LINE WHICH IS CONCAVE SOUTHERLY AND HAS A RADIUS OF 1210 FEET, AND WHICH IS TANGENT AT SAID WESTERLY END WITH A LINE BEARING SOUTH 66° 16' 00" WEST FROM A POINT DISTANT SOUTH 23° 44' 00" EAST 40 FEET FROM ENGINEER'S CENTER LINE STATION 100 PLUS 22.08 AT THE EASTERLY EXTREMITY OF THAT CERTAIN CENTER LINE COURSE OF SAID HIGHWAY DESCRIBED AS "NORTH 66° 16' 00" EAST 670.60 FEET" IN THE DEED FROM SOUTHERN COUNTIES LAND COMPANY TO THE STATE OF CALIFORNIA, RECORDED IN BOOK 11716 PAGE 337, OFFICIAL RECORDS OF SAID COUNTY; THENCE CONTINUING ALONG SAID CURVE, A DISTANCE OF 201.15 FEET TO THE END OF SAID CURVE; THENCE SOUTH 85° 12' 30" EAST 2.15 FEET TANGENT TO THE LAST MENTIONED CURVE; THENCE SOUTH 4° 47' 30" WEST TO A POINT IN THE ORDINARY HIGH TIDE LINE OF THE PACIFIC OCEAN; THENCE WESTERLY ALONG SAID TIDE LINE TO THE INTERSECTION OF SAID TIDE LINE WITH A LINE THAT BEARS SOUTH 7° 09' 07" WEST, FROM THE POINT OF BEGINNING; THENCE NORTH 7° 09' 07" EAST, A DISTANCE OF 112 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, AS SHOWN IN THE CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 25, 1978 AS INSTRUMENT NO. 78-1062867

ASSESSOR'S PARCEL NUMBER: 4449-007-014

PARCEL 2:

THE EASTERLY 50 FEET OF THE WESTERLY 101.15 FEET, SAID DISTANCE BEING MEASURED ALONG THE NORTHERLY LINE, OF THAT PORTION OF GOVERNMENT LOT 5 IN SECTION 31, TOWNSHIP 1 SOUTH, RANGE 16 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE OCTOBER 5, 1896, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE PACIFIC COAST HIGHWAY, AS SAID SOUTHERLY LINE WAS ESTABLISHED ON JANUARY 1, 1945, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID PACIFIC COAST HIGHWAY DISTANT EASTERLY THEREON 401.25 FEET FROM THE WESTERLY END OF THAT CERTAIN CURVE IN SAID SOUTHERLY LINE WHICH IS CONCAVE SOUTHERLY AND HAS A RADIUS OF 1,210 FEET, AND WHICH IS TANGENT AT SAID WESTERLY END WITH A LINE BEARING SOUTH 66° 16' 00" WEST FROM A POINT DISTANT SOUTH 23° 44' 00" EAST 40 FEET FROM ENGINEER'S CENTER LINE STATION 100 PLUS 22.08 AT THE EASTERLY EXTREMITY OF THAT CERTAIN CENTER LINE COURSE OF SAID HIGHWAY DESCRIBED AS "NORTH 66° 16' 00" EAST 670.60 FEET" IN THE DEED FROM SOUTHERN COUNTIES LAND COMPANY TO THE STATE OF CALIFORNIA, RECORDED IN BOOK 11716 PAGE 337, OFFICIAL RECORDS OF SAID COUNTY; THENCE CONTINUING ALONG SAID CURVE, A DISTANCE OF 201.15 FEET TO THE END OF SAID CURVE; THENCE SOUTH 85° 12' 30" EAST 2.15 FEET TANGENT TO THE LAST MENTIONED CURVE; THENCE SOUTH 4° 47' 30" WEST TO A POINT IN THE ORDINARY HIGH TIDE LINE OF THE PACIFIC OCEAN; THENCE WESTERLY ALONG SAID TIDE LINE TO THE INTERSECTION OF SAID TIDE LINE WITH A LINE THAT BEARS SOUTH 7° 09' 07" WEST, FROM THE POINT OF BEGINNING; THENCE NORTH 7° 09' 07" EAST, A DISTANCE

EXHIBIT A , Page 2

OF 112 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, AS SHOWN IN THE CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 25, 1978 AS INSTRUMENT NO. 78-1062868

ASSESSOR'S PARCEL NUMBER: 4449-007-015

PARCEL 3:

THE EASTERLY 50.00 FEET OF THE WESTERLY 151.15 FEET SAID DISTANCES BEING MEASURED ALONG THE NORTHERLY LINE OF THAT PORTION OF GOVERNMENT LOT 5 IN SECTION 31, TOWNSHIP 1 SOUTH, RANGE 16 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE OCTOBER 5, 1896, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE PACIFIC COAST HIGHWAY, AS SAID SOUTHERLY LINE WAS ESTABLISHED ON JANUARY 1, 1945, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID PACIFIC COAST HIGHWAY DISTANT EASTERLY THEREON 401.25 FEET FROM THE WESTERLY END OF THAT CERTAIN CURVE IN SAID SOUTHERLY LINE WHICH IS CONCAVE SOUTHERLY AND HAS A RADIUS OF 1210 FEET AND WHICH IS TANGENT AT SAID WESTERLY END WITH A LINE BEARING SOUTH 66° 16' 00" WEST FROM A POINT DISTANT SOUTH 23° 44' 00" EAST 40 FEET FROM ENGINEER'S CENTER LINE STATION 100 PLUS 22.08 AT THE EASTERLY EXTREMITY OF THAT CERTAIN CENTER LINE COURSE OF SAID HIGHWAY DESCRIBED AS "NORTH 66° 16' 00" EAST 670.60 FEET" IN THE DEED FROM SOUTHERN COUNTIES LAND COMPANY TO THE STATE OF CALIFORNIA, RECORDED IN BOOK 11716 PAGE 337, OFFICIAL RECORDS OF SAID COUNTY; THENCE CONTINUING ALONG SAID CURVE, A DISTANCE OF 201.15 FEET TO THE END OF SAID CURVE; THENCE SOUTH 85° 12' 30" EAST 2.15 FEET TANGENT TO THE LAST MENTIONED CURVE; THENCE SOUTH 4° 47' 30" WEST TO A POINT IN THE ORDINARY HIGH TIDE LINE OF THE PACIFIC OCEAN; THENCE WESTERLY ALONG SAID TIDE LINE TO THE INTERSECTION OF SAID TIDE LINE WITH A LINE THAT BEARS SOUTH 7° 09' 07" WEST, FROM THE POINT OF BEGINNING; THENCE NORTH 7° 09' 07" EAST, A DISTANCE OF 112 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, AS SHOWN IN THE CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 25, 1978 AS INSTRUMENT NO. 78-1062869

ASSESSOR'S PARCEL NUMBER: 4449-007-016

PARCEL 5:

THAT PORTION OF LOT 5 SECTION 31, TOWNSHIP 1 SOUTH, RANGE 16 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND ON FILE IN THE BUREAU OF LAND MANAGEMENT, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE PACIFIC COAST HIGHWAY, AS SAID SOUTHERLY LINE WAS ESTABLISHED ON JANUARY 1, 1945, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID PACIFIC COAST HIGHWAY WHICH BEARS SOUTH 23° 44' 00" EAST 40 FEET, FROM ENGINEERS CENTER LINE STATION 100 PLUS 22.08 AT THE EASTERLY EXTREMITY OF THAT CERTAIN CENTER LINE COURSE OF SAID HIGHWAY DESCRIBED AS "NORTH 66° 16' 00" EAST 670.60 FEET" IN THE DEED FROM SOUTHERN COUNTIES LAND COMPANY, TO THE STATE OF CALIFORNIA, RECORDED IN BOOK 11716 PAGE 337, OFFICIAL RECORDS; THENCE EASTERLY ALONG A CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 1,210 FEET BEING ALSO TANGENT TO THE SOUTHERLY LINE OF SAID PACIFIC COAST HIGHWAY, A DISTANCE OF 315 FEET TO A POINT TO WHICH A RADIAL LINE OF SAID CURVE BEARS NORTH 8° 49' 03" WEST, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID CURVE A DISTANCE OF 86.25 FEET; THENCE SOUTH 7° 09' 07" WEST 115 FEET, MORE OR LESS, TO A POINT IN THE ORDINARY HIGH TIDE LINE OF THE PACIFIC OCEAN, AS FOUND BY SURVEY ON APRIL 17, 1947; THENCE WESTERLY ALONG SAID TIDE LINE TO THE INTERSECTION OF SAID TIDE LINE WITH THE ABOVE MENTIONED RADIAL LINE WHICH BEARS SOUTH 8° 49' 03" EAST FROM THE TRUE POINT OF BEGINNING; THENCE ALONG SAID RADIAL LINE NORTH 8° 49' 03" WEST 119 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING, AS SHOWN IN THE CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 25, 1978 AS INSTRUMENT NO. 78-1062866

ASSESSOR'S PARCEL NUMBER: 4449-007-013

EXHIBIT A, Page 3

PARCEL 4:

THAT PORTION OF GOVERNMENT LOT 5 IN SECTION 31, TOWNSHIP 1 SOUTH, RANGE 16 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE OCTOBER 5, 1896, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE PACIFIC COAST HIGHWAY, AS SAID SOUTHERLY LINE WAS ESTABLISHED ON JANUARY 1, 1945, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID PACIFIC COAST HIGHWAY DISTANT EASTERLY THEREON 401.25 FEET FROM THE WESTERLY END OF THAT CERTAIN CURVE IN SAID SOUTHERLY LINE WHICH IS CONCAVE SOUTHERLY AND HAS A RADIUS OF 1,210 FEET AND WHICH IS TANGENT AT SAID WESTERLY END WITH A LINE BEARING SOUTH 66° 16' 00" WEST FROM A POINT DISTANT SOUTH 23° 44' 00" EAST 40 FEET FROM THE ENGINEER'S CENTER LINE STATION 100 PLUS 22.08 AT THE EASTERLY EXTREMITY OF THAT CERTAIN CENTER LINE COURSE OF SAID HIGHWAY DESCRIBED AS "NORTH 66° 16' 00" EAST 670.60 FEET" IN THE DEED FROM SOUTHERN COUNTIES LAND COMPANY TO THE STATE OF CALIFORNIA, RECORDED IN BOOK 11716 PAGE 337, OFFICIAL RECORDS OF SAID COUNTY; THENCE CONTINUING ALONG SAID CURVE, A DISTANCE OF 201.15 FEET TO THE END OF SAID CURVE; THENCE SOUTH 85° 12' 30" EAST 2.15 FEET TANGENT TO THE LAST MENTIONED CURVE; THENCE SOUTH 4° 47' 30" WEST TO A POINT IN THE ORDINARY HIGH TIDE LINE OF THE PACIFIC OCEAN; THENCE WESTERLY ALONG SAID TIDE LINE TO THE INTERSECTION OF SAID TIDE LINE WITH A LINE THAT BEARS SOUTH 7° 09' 07" WEST, FROM THE POINT OF BEGINNING; THENCE NORTH 7° 09' 07" EAST, A DISTANCE OF 112 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THE WESTERLY 151.15 FEET MEASURED ALONG THE NORTHERLY LINE OF THE ABOVE DESCRIBED LAND, AS SHOWN IN THE CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 25, 1978 AS INSTRUMENT NO. 78-1062870

ASSESSOR'S PARCEL NUMBER: 4449-007-017

EXHIBIT B

SAMPLE ONLY. NOT FOR SIGNATURE OR RECORDATION

Recording Requested By and
When Recorded Return to:

State Coastal Conservancy
1330 Broadway, 13th Floor
Oakland, CA 94612

Attn: Legal Counsel: [initials]
Project:

EXEMPT FROM RECORDING FEES -- GOV. CODE SECTION 6103

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in Real Property offered to the State of California, acting by and through the State Coastal Conservancy, in the IRREVOCABLE OFFER TO DEDICATE TITLE IN FEE AND DECLARATION OF RESTRICTIVE COVENANTS ("the offer") executed by the _____ on _____, and recorded on _____ as Instrument No. _____ in the Official Records of the County of _____, State of California, is hereby accepted by the undersigned officer on behalf of the State of California, pursuant to the authorization of the State Coastal Conservancy, Resources Agency, State of California, adopted on _____ on the basis of findings made in accordance with paragraph 1 of the offer.

STATE OF CALIFORNIA
Resources Agency
State Coastal Conservancy

By: XXXXXX
Executive Officer

Date